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# Enhancing Cross-Cultural Training Efficacy on Expatriate Adjustment through Emotional Intelligence and Social Capital\*

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**Abstract:** Cross cultural training is widely believed to make a positive contribution to expatriate adjustment. In practice, however, it is very costly and sometimes ineffective for expatriates. Therefore, there is a growing importance placed on increasing the cost effectiveness or enhancing the efficacy of cross-cultural training by functioning individual expatriate's social capital and emotional intelligence as moderating variables towards expatriate's adjustment and performance. To do so we blend ideas drawn from social capital theory and emotional intelligence to develop the structure that underlies the logic of this paper. Thus, this paper uses social capital and emotional intelligence theories to enrich extant literature on expatriate adjustment

**Abstrak:** Pelatihan lintas budaya telah dipercaya memberikan kontribusi positif bagi proses penyesuaian ekspatriat. Meskipun demikian, dalam prakteknya, pelatihan tersebut sangat mahal dan terkadang tidak efektif. Oleh karena itu, penting untuk meningkatkan efektivitas biaya atau pencapaian pelatihan lintas budaya dengan memfungsikan modal sosial dan kepijarian emosi ekspatriat sebagai variabel pemoderasi antara penyesuaian ekspatriat dan kinerjanya. Penulis menggabungkan beberapa ide dari teori modal sosial dan kepijarian emosional untuk membangun sebuah kerangka sebagai dasar tulisan ini. Oleh karena itu, tulisan ini menggunakan teori modal sosial dan teori kepijarian emosional untuk memperkaya literatur mengenai penyesuaian ekspatriat.

**Keywords:** cross-cultural training; emotional intelligence; expatriate adjustment; social capital

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## Introduction

Globalization has reconfigured the landscape of business in the world and has forced companies to change their strategies (Scullion 1991). Globalization has not only induced distortion in geographical boundaries but it has also created a new business arena which is characterized by stiff competition (Takeuchi et al. 2005). On the other hand, globalization also has opened the door for the international market and inspires companies to engage in the internationalization process (Ronen 1989; Scullion 1991) in order to seize international market opportunities. As a result of these phenomena, expatriates are increasingly becoming important human resource for multinational companies (MNCs) (Scullion 1991; Takeuchi et al. 2005). It is indicated by the increase in the number of expatriates (Gupta and Govindarajan 2000; Van Vianen et al. 2004). For example, United States has about 3.3 million expatriates around the world (Shepard 1997).

Although expatriates are increasingly becoming “key persons” for MNCs, the process of assigning an expatriate abroad is not a simple matter (Shaffer et al. 2001; Shaffer et al. 2006). How to select expatriates who have abilities to adjust in the new environment becomes one important issue of the work force management at MNCs. The attention of MNCs toward the adjustment of expatriates is attributable to many factors. *First*, from the expatriates’ perspective, the success in the adjustment process and the ability to meet the assigned duration can elevate their self-esteem, self-confidence and status among co-workers (Mendenhall and Oddou 1985; Tung 1987). *Second*, it contributes to the increase of company’s cost effectiveness because assigning expatriates abroad is very expensive (Aycan 1997). *Third*, the

success of expatriate adjustment will influence expatriate performance (Forster 1997). Therefore, the success of expatriate adjustment in the foreign country is very essential for expatriates as well as companies. Additionally, the need to identify factors that support expatriates’ success in the adjustment process is important as it helps companies in selecting expatriates who have capabilities to adjust to the new environment successfully.

Many scholars have investigated the antecedents of expatriate and process adjustment (e.g. Andreason 2003; Aycan 1997; Bhaskar et al. 2005; Black and Gregersen 1991; Black et al. 1991; Shaffer et al. 1999; Takeuchi et al. 2002). However, those articles have not investigated the role of emotional intelligence and social capital as important factors that influence the success of expatriate adjustment. At the same time, there is still little research that uses social capital and emotional intelligence as moderating variables on the expatriate adjustment literature.

Taking the above factors on expatriate adjustment into consideration is important for a number of reasons. *First*, it has been acknowledged that cross-cultural training is important for successful adjustment of expatriates in new environments (Caligiuri and Tarique 2006; Morris and Robie 2001; Waxin and Panaccio 2005). However, other scholars argue that training imposes a huge cost on the firm, and in some cases is not effective for expatriates (Black and Mendenhall 1990). As a result, to reduce the cost or enhance cross-cultural training efficacy, the use of social capital and emotional intelligence may be called into play. At this stage, social capital embodied in expatriates may supplement the function of pre-departure training because expatriates usually do not have enough time to prepare before departing abroad. It may be done through facilitating

the flow of knowledge between expatriate candidates and incumbent expatriates as well as host people so that candidates have the opportunity to accumulate a more comprehensive cross-cultural knowledge.

*Second*, emotional intelligence may facilitate people to better use the initial cross-cultural knowledge they acquire in training during the adjustment process (Black and Gregersen 1991; Caligiuri and Tarique 2006) thereby accelerating its use.

*Third*, it may not make sense if cross-cultural training has the same effect on expatriate adjustment across people. The effects may vary depending on personal abilities such as emotional intelligence and networking development abilities. The magnitude of an expatriate's personal emotional intelligence and social capital may influence the magnitude of the relationship between cross-cultural training and expatriate adjustment.

Discussing this issue will provide a clearer direction on the linkages among the constructs which should generate advantages for relevant parties. For managers, the implication is that the findings will help managers to provide ideas in selecting appropriate expatriates with the ability to adjust successfully, which in turn enables them to finish their assigned duration. In addition, this paper will provide managers with clearer ideas on the role of social capital and emotional intelligence in facilitating adjustment of expatriates.

The presentation of this paper will be as follows. The first section presents the theoretical background, which includes definitions of expatriate adjustment, cross-cultural training, social capital and emotional intelligence. Section two discusses proposition de-

velopment, and section three, presents the conclusion and suggestions for future research.

## Theoretical Background

### *Expatriate Adjustment*

The term expatriates refers to "employees of business organizations, who are sent overseas on a temporary basis to complete a time-based task or accomplish an organizational goal." (Harrison et al. 2004: 203). Adjustment is "a state whereby changes occur in the individual in a direction of increased fit and reduced conflict between the environmental demands and the individual attitudinal and behavioral inclinations (Aycan 1997, p. 436).

Based on those definitions, expatriate adjustment may be defined as the changes of employee's behavior and attitude who are assigned abroad to complete certain tasks within a certain time where those changes are used to create "increased fit and reduced conflict between the environmental demands and the individual attitudinal and behavioral inclinations" (Aycan 1997, p. 436). This definition reflects a reality that conflict is a given situation in a new environment that expatriates can not avoid. Therefore, expatriates should not try to avoid conflict; but to reduce the level of conflict through changing expatriate's behavior and attitude in order to meet the demand of the new environment. This study suggests that to reduce conflicts in new environment, it is advisable that prior to taking up assignments abroad, expatriates should try to improve and extend their emotional intelligence as well as the quality of their networks with their colleagues who are

working as expatriates or with the host country people. The main premise of this thesis is that, with the nature of conflict being given, expatriates have limited time to achieve adjustment while on assignment. Within that limited duration, expatriates are expected to achieve adjustment at a fast rate. This barrier for adjustment should be reduced as early as possible to ensure that the process does not affect their performance. By having good emotional intelligence and good quality networks with incumbent expatriates as well as host country people (HCNs), expatriates are expected to hasten their adjustment.

Expatriate adjustment consists of three dimensions: adjustment to work (job requirements), adjustment to interacting with individuals in the foreign country, and general adjustment to the foreign culture (Shaffer et al. 1999). Those dimensions are similar to psychological adjustment, socio-cultural adjustment, and work adjustment (Aycan 1997).

The term psychological adjustment refers to “emotional satisfaction” (Ward and Kennedy 1993, p.222) and is gauged from the ability to “maintaining good mental health or psychological well-being” (Aycan 1997: 436). Meanwhile, the term social-cultural adjustment refers to be in tune with the culture in the country where an expatriate is working (Ward and Kennedy 1993: 222). Another scholar defines social-cultural adjustment as the degree of effectiveness in the community and it deals with “non-work situations” (Aycan 1997). Finally, the term work adjustment can be referred to as “the ability that produces behaviors of which can result in good performance of required task and having positive attitudes towards the new work role” (Aycan 1997: 436).

Understanding the importance of expatriate adjustment in a new environment, it is crucial for managers to provide better preparation program to enhance expatriate performance. One widely used program for such adjustment is cross-cultural training conducted prior to departing to other countries.

### ***Cross-Cultural Training***

Cross-cultural training can be defined as “the educative process used to improve intercultural learning via the development of the cognitive, affective, and behavioral competencies needed for successful interaction in diverse cultures” (Littrell et al. 2006: 356; Morris and Robie 2001). Cognitive competencies may deal with the rationality in making decisions while affective competencies may pertain to the abilities to handle emotion during performing interaction with other people. Behavior competencies may represent the abilities of people in managing relationship with other people (Waxin and Pannacio 2005).

Empirical evidence demonstrates inconclusive results of the effectiveness of cross-cultural training. For example Lievens et al. (2003) mention that some previous scholars showed that cross-cultural training contributes to expatriate adjustment and performance. However, other scholars found the results to be inconclusive (Littrell et al. 2006). To that end, there is no single answer to the relationship between the effectiveness of cross-cultural training and expatriate adjustment and performance. There is a possibility, however, that there are some other variables that can enhance and moderate the effect of cross-cultural training to expatriate adjustment and performance such as emotional intelligence and social capital which are the main focus of this study.

## ***Emotional Intelligence***

Emotional intelligence has been studied for years, pioneered by the work of Thorndike in 1920 (Wong and Law 2002). He proposes a social intelligence theory from which emotional intelligence can be traced (Guastello and Guastello 2003; Hedlund and Sternberg 2000; Landy 2005; Matthews, Roberts, and Zeidner 2003). He defines social intelligence as “the ability to perceive one’s own and others’ internal states, motives and behaviors and to act toward them optimally on the basis of that information” (Landy 2005: 414; Mayer and Salovey 1993: 435). Another scholar, Gardner (1983), proposes a multiple intelligences concept of which one of those multiple intelligences is social intelligence (Wong and Law 2002).

Another recognition of the concept of emotional intelligence is driven with the publication of Salovey and Mayer’s article on emotional intelligence in 1990 (Ashkanasy and Daus 2005), which was popularized by Daniel Goleman (Fox and Spector 2000; Ogilvie and Carsky 2002). At the beginning, Mayer and Salovey described emotional intelligence as a two-part approach; general processing of emotional information and skills involved in such processing (Mayer and Geher 1996; Salovey and Mayer 1990). Later, Mayer and Salovey (1997) define emotional intelligence as “the capacity to reason about emotions, and of emotions to enhance thinking. It includes the abilities to accurately perceive emotions, to access and generate emotions so as to assist thought, to understand emotions and emotional knowledge, and to reflectively regulate emotions so as to promote emotional and intellectual growth” (Mayer and Salovey 1997: 197; Mayer et al. 2004).

A wide variety of emotional intelligence research has been conducted to assess the relationship between emotional intelligence and other related variables such as emotional intelligence and job performance as well as team performance (Druskat and Wolff 2001; Goleman 1998; Huy 1999; Jordan et al. 2002; Jordan and Troth 2004; Mayer et al. 2000; Wong and Law 2002); emotional intelligence and transformational leadership (Mandell and Pherwani 2003); emotional intelligence and the “attitude toward organizational change” (Vakola et al. 2004: 88). However, only few studies have investigated emotional intelligence in the context of expatriates. One example is study conducted by Gabel et al. (2006) who found that emotional intelligence can positively contribute to expatriate adjustment.

## ***Social Capital***

There is no a single definition of social capital (Fischer and Pollock 2004; Kostova and Roth 2003). Some scholars define social capital as “resources embedded in a social structure that are accessed and/or mobilized in purposive actions” (Lin 2001: 29; Thompson 2005: 1012). Other scholars define social capital as “the potential value arising from certain psychological states, perceptions, and behavioral expectations that social actors form as a result of both their being part of social structures and the nature of their relationships in these structures” (Kostova and Roth 2003: 301). Although those definitions are different, they reflect the same phenomenon; something that is attached to relations that can be used to do certain things. This is like benefits that one obtains from his or her relations through using his or her abilities to get it (Kostova and Roth 2003; Portes 1998).

Regarding the benefits, Moran (2005) argues that there are differences of opinion among scholars with respect to the way social capital generates benefits. Some scholars propose that it is important to have weak ties (Burt 1997; Granovetter 1973), which will produce rich information because of getting un-redundant information (Burt 1997; Granovetter 1973; Moran 2005). Another scholar proposes “closure of network” (Coleman 1988: 105). The closure of networks will produce benefits in terms of repeated ideas (Moran 2005). In addition, the closure of network will be beneficial in terms of the norms that facilitate individuals in the network to share voluntary information with one another (Coleman 1988).

In line with those notions, other scholars contend that social capital represents three important elements: structural dimension, relational dimension and cognitive dimension (Nahapiet and Ghosal 1998). They further explain that the structural dimension of social capital indicates the number of networks in an organization whereas the relational dimension indicates the “quality” of the networks. The term cognitive dimension refers to “those resources providing shared representations, interpretations, and systems of meaning among parties” (Nahapiet and Ghosal 1998: 244).

Finally, as a form of capital, social capital is valuable for individuals since it fertilizes the trustworthiness among individuals (Coleman 1988). As a result, it can eliminate the obstacles that can hamper communication and accelerate the flow of information (Thompson 2005). In addition, the degree to which social capital exists also determines the degree to which individuals maintain relationships with one another (Kostova and Roth 2003).

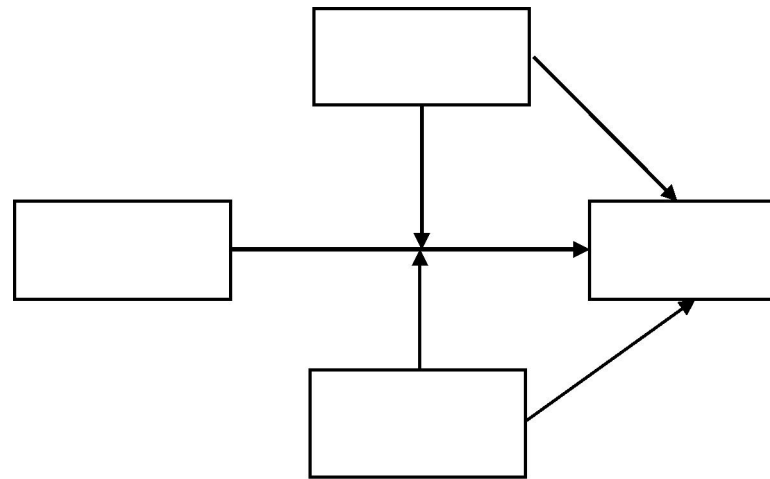
Empirical studies show that social capital generates benefits at the individual level. For example Thompson (2005) found the positive effect of social capital on proactive personality in achieving better performance. Burt (1997) found that social capital generates benefits in terms of early promotion and higher compensation, while Granovetter (1973) found it to positively influence information about jobs that someone obtains from his or her relations. However, even though social capital has been used extensively in different fields, there is little that has addressed the issue of benefits of social capital on the expatriate adjustment.

## Conceptual Model and Proposition Development

The complexity of business environments in a country demands that a new expatriate have good preparation in order to achieve successful adjustment. This is because the success of the adjustment process is closely associated with the completion of the assigned duration. To do so, two methods may be taken into consideration: formal and informal. Formal means new expatriates need to improve abilities that reside within themselves through joining cross-cultural or emotional intelligence training.

This formal mechanism is commonly used by MNCs to improve intercultural learning through improving the cognitive, affective, and behavioral competencies. However, the time barrier and emergency needs sometimes hamper MNCs to hold cross-cultural training for their expatriates (Tung 1982; Dowling et al. 1999). Therefore, MNCs may need to develop an informal way to support the expatriates' adjustment. An informal approach represents the ways that expatriates

Figure 1. **Proposed Framework**



can use to obtain cross-cultural knowledge through informal relationships with their colleagues who are working as expatriates in such countries or from host people.

It may be stated explicitly that a good combination between informal and formal approaches may produce a potential power to facilitate new expatriates to succeed in the adjustment. In other words, an expatriate with high emotional intelligence has more knowledge about such countries in term of its culture which is obtained from training (formal) and from colleagues (informal). Those steps may help expatriates succeed in the adjustment process. The following section will discuss new factors, which may be useful but have not been given sufficient attention in previous studies on expatriate adjustment.

### ***Cross-cultural training, social capital and expatriate adjustment***

It has been widely recognized that cross-cultural training plays an important role in helping expatriates to adjust successfully in a new environment with different culture (Caligiuri and Tarique 2006; Morris and Robie

2001). Expatriates who have joined cross-cultural training in the home country have the initial knowledge about how to live in new environments with different cultures (Caligiuri and Tarique 2006). This initial knowledge is an important facet for expatriates as a source to assimilate and change their attitudes and behavior in a new environment.

Cross-cultural training is designed to equip expatriates with the specific knowledge about how to live in the different culture successfully, for example communication skill, daily life such as climate, food, housing, and job skills (Caligiuri et al. 2001; Selmer 2005). With such knowledge, expatriates may be able to solve the problems which arise from unfamiliar events in their daily life as well as in their workplace (Caligiuri et al. 2001).

Expatriates who have the initial knowledge may be better in the “learning process” (Black and Gregersen 1991; Caligiuri et al. 2001; Caligiuri and Tarique 2006) and it may help expatriates make decisions quickly when problems arise. Cross-cultural knowledge leads expatriates to interact properly and communicate fluently with the host people with-

out feeling scared to hurt the host culture. Expatriates may be able to confidently interact with HCNs. Expatriates also may feel at ease since they have gained sufficient initial knowledge to be familiar with the jobs, which will speed up the adjustment process. Empirically, one study made by Waxin and Panaccio (2005) underscored the importance of cross-cultural training for expatriates, especially in the adjustment process. Based on the above discussion, a proposition is developed:

*P<sub>1a</sub>: Cross-cultural training will positively associate with the expatriate's adjustment in the new country*

As mentioned before, time barrier and emergency needs sometimes act as obstacles for MNCs to hold cross-cultural training toward their expatriates (Tung 1982; Dowling et al. 1999). On the other hand, cross-cultural knowledge is very important for expatriates to facilitate the adjustment process (Waxin and Panaccio 2005). Therefore, finding another way to solve this problem may be necessary for MNCs to equip expatriates with cross-cultural knowledge. In this paper, an informal way for developing networks among expatriate candidates and incumbents expatriates, as well as host country people, is recommended as a course of action in order to facilitate getting cross-cultural knowledge. An informal approach itself represents the ways that expatriates can obtain cross-cultural knowledge through informal relationships with their colleagues who are working as expatriates in such countries and with host people. In this study, social capital theory is used to frame and justify that idea.

According to Lengnick-Hall and Lengnick-Hall (2006), "social capital enables role versatility in individuals and units, allowing them to be both senders and recipients

of knowledge and reducing barriers to effective knowledge flow" (p. 481). Departing from this idea, it may be stated that the presence of high social capital of expatriate candidates with incumbent expatriates as well as with HCNs may facilitate them to transfer cross-cultural knowledge of such countries. In addition, good social capital is likely to let foreign colleagues provide assistance to expatriate candidates. Before departing to a host country, a candidate may interact by internet or phone to ask what he or she should prepare for the new environment. A massive use of internet cuts down communication time among people that are living a distance away. Similar to the internet, the use of phone not only can cut down communication time but also can attach more psychological relationships to people because they can talk in person. Those mechanisms may make the increased of knowledge flow efficacy as recommended by Lengnick-Hall and Lengnick-Hall (2006) above. With an effective knowledge flow, expatriate candidates may be able to accumulate more knowledge from incumbent expatriates as well as from HCNs independently and informally. As a result knowledgeable expatriates, who have obtained their knowledge in informal ways, may be able to prepare well before departing to or during assignments in the host country and so making a success of the adjustment.

In addition, the possession of high social capital by expatriate candidates, which is reflected in existing high structural, relational and cognitive dimensions (Nahapiet and Ghosal 1998) may speed up knowledge flows from incumbent expatriates to candidates. High levels of those dimensions of social capital may drive the growth of give-and-take behavior among people in the networks that produce the feeling security and comfort when they want to ask for help or



information (Kostova and Roth 2003). The reciprocal relationship produced by high social capital that exists between expatriate candidates and incumbent expatriates may expedite the information flows from incumbent expatriates as well as HCNs to expatriate candidates respectively. It is because the inside of reciprocal relationship not only involves cognitive relations among people but also involves emotional relations that can more fasten that relationship itself. Therefore, when it happens, expatriates (incumbents or candidates) are willing to share what they have with one another. Then, expatriates can access information from incumbents anytime.

The quality and speed of information may also depend on the number of networks (structural dimensions); the quality of networks (relational dimensions) and the spirit as a member of one company (cognitive dimension). Larger networks will enrich the information because of un-redundant information (Burt 1997; Granovetter 1973; Moran 2005). The quality of networks will create the norm that facilitates individuals in the networks to voluntarily share information with one another (Coleman 1988). As a result, it can fasten the flow of information. Finally, the spirit as a member of one company can attach more psychological relations that may produce the responsible feeling to help one another. It can also fasten the flow of information.

On the other hand, the presence of social capital is also expected to strengthen the relationship between cross-cultural training and the success of the adjustment process. It means that the presence of high social capital may enrich accumulated knowledge obtained from the cross-cultural training. Applied logic provided by Nahapiet and Ghosal (1998) may be able to explain the logic behind those statements. As explained before,

the quality and speed of information may depend on the number of networks (structural dimensions); the quality of networks (relational dimensions) and the spirit as a member of one company (cognitive dimension).

The larger the networks, the richer the information will be, is based on the idea developed by the work of Granovetter in 1973 on the strength of weak ties. He explains the importance of weak ties in a structure and its advantage regarding un-redundant information (Burt 1997; Moran 2005). Moreover, Burt (1997) reinforces that idea by stating that additive information is possible to exist from dissimilar contacts rather than from similar contacts. On the other hand, the higher the quality of networks, the faster the flow of information based on Coleman's (1988) work cited by Moran (2005). He argues that "closure of networks" will create the norm that facilitates individuals in the networks to voluntarily share information to one another (Coleman 1988).

He further explains that the "closed network" provides benefits in terms of exchanging information (Coleman 1988; Moran 2005) through "trustworthiness and obligation" in the network (Coleman 1988: 102). When "trustworthiness and obligation" are present, the reciprocal behavior will be also present among people in the networks (Kostova and Roth 2003; Uzzi 1996). Finally, based on Nahapiet and Ghosal's (1998) work, the higher the spirit as a member of company may, the higher the motivation to share knowledge will be. Whenever people are unified by the same spirit to achieve the same goals, they may have more motivation to share knowledge since they may think that this will be beneficial to them. It, therefore, may be stated that an expatriate who has a larger network, a higher quality of networks, and a higher

degree of spirit to represent their company, he or she may have more complete knowledge compared to other expatriates that have low levels of these dimensions. Therefore, an expatriate who gains knowledge from training, added by cross-cultural knowledge informally received from incumbent expatriates as well as HCNs through informal relationships will have more comprehensive cross-cultural knowledge so that it may bring success in the adjustment. Based on those discussions, two propositions are developed:

*P<sub>1b</sub>: Social capital will directly, and positively associate with the expatriate adjustment.*

*P<sub>1c</sub>: Social capital will positively moderate the relationship between cross-cultural training and the expatriate adjustment in such a way that the relationship is stronger for those higher, rather than lower in social capital*

### ***Emotional Intelligence and Expatriate Adjustment***

Findings from a wide variety of emotional intelligence research have shown a positive influence of emotional intelligence on individual performance as well as team performance (Druskat and Wolff 2001; Goleman 1998; Huy 1999; Jordan et al. 2002; Jordan and Troth 2004; Mayer et al. 2000; Wong and Law 2002); emotional intelligence and transformational leadership Mandell and Pherwani (2003); emotional intelligence and the attitude toward organizational change (Vakola et al. 2004). Based on those ideas, emotional intelligence may be contribute positively toward successful adjustment of expatriates.

The logic here is that the adjustment process involves psychological adjustment (Aycan 1997; Ward and Kennedy 1993). As part of the adjustment process, psychological adjustment will be pertinent to psycho-

logical problems such as stress, anxiety, or fatigue or disruption, poor mental health (Hechanova et al. 2003). In addition, a new environment in which an expatriate lives generates psychological pressures because conditions or the way things occur may be different from what expatriates face in their home countries. That pressure may produce psychological ailments such as stress, anxiety, or fatigue or disruption. When those occur, emotional conflict will ensue. According to Glinow et al. (2004) the term emotional conflict refers to “negative emotion such as frustration, irritation, even anger” (p. 578). Therefore, it may be stated that success in psychological adjustment may reduce psychological problems.

While on one hand an expatriate faces a problem which is related to the limited time in the host country, if an expatriate doesn't have a good strategy to deal with psychological adjustment, her or his tasks will be disturbed. In addition, the longer time required to adjust psychologically will undermine the performance of the expatriate as well as that of the company. Research evidence has shown a positive association between negative emotions and poor performance (Glinow et al. 2004; Jehn 1997). To that end, there is need for expatriates to anticipate such a problem so they recover quickly from negative emotions which should shorten the time needed to adjust psychologically by having emotional intelligence. The logic here is that emotional intelligence may facilitate expatriates to have good “management of stress” (Bar-On 1997; Gabel et al. 2006). Managing stress properly may “tolerate stress and keep personal drives under control” (Bar-On 1997; Gabel et al. 2006, p.378) so that it does not disturb their performance in completing their daily tasks.

On the other hand, emotional intelligence may also function as a moderating variable on the relationship between cross-cultural training and expatriate adjustment. Expatriates whose emotional intelligence may enable them to optimally use their cross-cultural knowledge obtained from the cross-cultural training in their home country during the adjustment process. In addition, emotional intelligence may facilitate expatriates to use a better initial cross-cultural knowledge in “the learning process” of adjustment (Black and Gregersen 1991; Caligiuri et al. 2001; Caligiuri and Tarique 2006). Expatriates with emotional intelligence may enable them to recall easily the initial knowledge that is stored in their memory whenever they face problems during the adjustment process. It can occur through optimizing the work of the cognitive process. Therefore, it may be stated conclusively that the efficacy of cross-cultural training on supporting expatriate adjustment is moderated by the presence of emotional intelligence. Based on those discussions, two propositions are developed

*P<sub>2a</sub>: Emotional intelligence will positively associate with the expatriate adjustment*

*P<sub>2b</sub>: Emotional intelligence will moderate the relationship between cross-cultural training and the expatriate adjustment in such a way that the relationship is stronger for those higher, rather than lower in emotional intelligence*

## Conclusion and Research Agenda

The objective of this paper is to explore the role of social capital and emotional intelligence as moderating variables on the relationship between cross-cultural training and expatriate adjustment. The paper is based on the premise that the complexity of business

environment in a country requires new expatriates to have a good preparation if they are to adjust successfully to their new assignments. To achieve that, this study recommends two different methods that may be taken into consideration: formal and informal. The formal method can be achieved through undergoing training in cross-cultural and emotional intelligence, while the informal method should involve harnessing informal relationships with their colleagues or HCNs's people. A good combination between formal (cross-cultural training as well as emotional intelligence training) and informal approaches should produce sufficient facilitation for expatriate candidates to achieve success in adjustment to their new environment. In other words, equipped with high emotional intelligence, cross-cultural knowledge, quality and large of networks, and the spirit as a member of a company, new expatriate should be able to adjust easily and quickly to the new assignment.

To that end, the findings of this study make a significant contribution to academia as well as management. With respect to academia, this study provides a clearer direction on the nature of the link between the constructs, which paves the way for people to derive benefits thereof. Meanwhile, as regards the implication for management, the findings of this study should help managers in selecting appropriate expatriates who can adjust successfully as well as providing managers with clearer ideas about the role of social capital and emotional intelligence in supporting the adjustment of expatriates in new environments. Such knowledge should in turn enable managers to formulate effective policies to support it. In addition, for companies, the implication of the findings of this paper is that there is a need to create and develop activities that can help in establishing con-

nections between expatriate incumbents and expatriate candidates a process which should lead to cross-cultural knowledge transfer among them.

Regarding future research, several directions can be suggested. First, social capital is beneficial to firms as well as expatriates, therefore investigating the way a firm develops an environment to fertilize the social capital is suggested.

In that case, a qualitative approach is recommended. Secondly, as emotional intelligence is also a critical factor in the expatriate adjustment process, conducting a comparison of the impact of low and high emotional intelligence on the adjustment process should be another direction for research in future. For that study, an experiment study is recommended.

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